

10 service to a customer. I'm Intermedia, and I go and  
11 win that customer from BellSouth. I convince them they  
12 should take service from Intermedia.

13 I then go to BellSouth and I say,  
14 BellSouth, I want to buy that loop as an unbundled loop  
15 so I can continue providing service to that customer.  
16 Does that mean BellSouth strips the electronics off the  
17 end of that loop before I can get my hands on it?

18 A. I don't know. When you want an unbundled  
19 loop for that customer, we will provision one. If the  
20 way to do that would be to remove the electronics off  
21 of the existing loop, that's the way it would be done.

22 Another way to do that is to use another  
23 loop that's available in that cross-section, provide  
24 that to you, and that's what would be done. It would  
25 depend on the circumstances that existed at the time  
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1 that you made your request. When you ask us for an  
2 unbundled loop, we'll provide you an unbundled loop.

3 Likewise, if it was, say, ISDN service, and  
4 you wanted to resell the ISDN service, you could do  
5 that. You could purchase the ISDN service and resell  
6 it at the wholesale rate. But if you just want an  
7 unbundled loop capable of providing ISDN service, we  
8 would sell you an unbundled loop, which means that's  
9 just the loop, and you would provide the electronics  
10 associated with it.

11 Q. To the extent that BellSouth has provided  
12 DS1 or ISDN lines to CLECs, has it ever stripped the



## **ATTACHMENT H**

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1 BEFORE THE TENNESSEE REGULATORY AUTHORITY

2 IN RE: )  
3 BELLSOUTH TELECOMMUNICATIONS, INC.'S ) DOCKET NO.  
ENTRY INTO LONG DISTANCE (INTERLATA) ) 97-00309  
4 SERVICE IN TENNESSEE PURSUANT TO )  
SECTION 271 OF THE TELECOMMUNICATIONS )  
5 ACT OF 1996 )

6  
TRANSCRIPT OF PROCEEDINGS

7  
Wednesday, May 6, 1998

8  
VOLUME II E

9  
10 APPEARANCES:

11 For BellSouth: Mr. Guy M. Hicks  
12 Mr. William J. Ellenberg, II  
Mr. Bennett Ross  
13 For AT&T: Mr. James P. Lamoureux  
14 For MCI: Mr. Richard D. Melson  
Ms. Susan Berlin  
15 For TCG MidSouth, Inc.: Ms. D. Billye Sanders  
16 For Consumer Advocate: Mr. Vance L. Broemel  
17 For ACSI, SECA,  
18 and Brooks: Mr. Henry Walker  
19 For Sprint: Ms. Carolyn Tatum Roddy  
20 For Intermedia, LCI,  
and WorldCom: Mr. Jonathan E. Canis  
Mr. H. LaDon Baltimore  
21 For NEXTLINK: Ms. Dana Shaffer  
22 Mr. Henry C. Campen, Jr.  
23 For BellSouth  
Long Distance: Mr. Guilford F. Thornton, Jr.

24 Reported by:  
25 Teri A. Campbell, RPR, CCR

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ALPHONSO J. VARNER:

13 electronics off of that before handing those circuits  
14 over to a CLEC?

15 A. When you say "lines," are you talking about  
16 loops?

17 Q. I'm ordering a DS1 loop from BellSouth.  
18 I'm Intermedia.

19 A. Okay. Your question was?

20 Q. An existing loop to an existing customer  
21 location. Do you strip the -- have you ever stripped  
22 the electronics that define the DS1 or HDSL service off  
23 that loop in order to give it to me?

24 A. Oh, I don't know.

25 Q. The next line of questions deal with  
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1 digital loop carriers. Again, checklist items No. 2,  
2 unbundled network elements; and, 4, unbundled loops. I  
3 know you already discussed this at some length with  
4 Mr. Campen and Mr. Lamoureux, so I have just a couple  
5 of pretty brief questions on that.

6 You indicated that BellSouth provides next  
7 generation digital loop carriers. It currently deploys  
8 that. Is that true?

9 A. We do deploy it. We don't provide it.

10 Q. I'm sorry. I mean deploying in your own  
11 network.

12 A. Yes, we do.

13 Q. It was my recollection that you did not  
14 know the percentage -- well, let me ask another  
15 question. You also include universal digital loop  
16 carriers. Is that true?

17 A. We use -- we do have universal digital loop  
18 carriers.

19 Q. So you currently have deployed three  
20 different kinds of digital loop carriers; integrated,  
21 universal, and next generation. Is that true?

22 A. Yes. In a general category, that's  
23 correct.

24 Q. Now, we described before the problem with  
25 the integrated digital loop carrier is out in the field  
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1 it bundles 24 different circuits together with a single  
2 high capacity circuit, and that high capacity circuit,  
3 a DS1 or a fiber circuit, goes directly into the  
4 switch. That's why it's hard for us to strip  
5 individual circuits off of that. Is that a fair  
6 characterization of the problem?

7 A. I don't think that's a problem. In fact,  
8 that is one of the benefits of utilizing integrated  
9 digital loop carrier to provide basic local exchange  
10 service, is that you don't have to invest in having  
11 channel banks in the office like you do with a  
12 universal digital loop carrier. You can in fact  
13 terminate the lines off the digital loop carrier  
14 directly into the switch, and you don't need channel  
15 banks. I don't characterize that as a problem.

16 Now, that same benefit that makes it  
17 economical to provision local exchange service also  
18 means that you're not able to provide unbundled loops  
19 utilizing that technology. So that means that when

20 someone wants an unbundled loop for a customer that is  
21 served with that technology, you have to use some other  
22 means to provision the unbundled loop because it can't  
23 be provisioned using that technology.

24 Q. Okay. I won't refer to it as a problem

25 then. I'm talking about the challenge of deriving

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1 individual loops off an aggregated system like a DLC.

2 The concern with the ability to derive individual loops

3 off a system, that is not a concern with next

4 generation. Is that true?

5 A. No, it's not, nor is it a concern with

6 universal.

7 Q. So from today on if BellSouth deployed next

8 generation DLCs in its network and discontinued the

9 installation of IDLCs, there would be no restrictions

10 on its ability to derive individual channels and sell

11 them as unbundled network elements?

12 A. That would be correct. But it would be

13 more costly, is my understanding. The details of that

14 you would need to ask Mr. Milner.

15 Q. One other thing. We talked about two

16 different ways of deriving individual circuits from an

17 IDLC system. One is to build a parallel -- I guess

18 they call it home run when you have a direct line from

19 the end office to the end user and it's not aggregated

20 and doesn't go through a multiplexer or DLC. I use the

21 term "home run." So that's one way to do it. If no

22 facilities are available, you do a special construction

23 arrangement.

24                   Let me ask if one other option is  
25 available. Instead of those two options, couldn't you  
0276  
1 also take another DLC like the one you have out in the  
2 field -- couldn't you install that in the central  
3 office and effectively use that like a multiplexer and  
4 use that to derive individual circuits before they get  
5 connected into the switch?

6 A.               What you describe there is essentially  
7 saying convert the IDLC to a universal DLC.

8 Q.               Yes.

9 A.               If we had to do that then, that would be  
10 one of the situations wherein special construction  
11 charges would apply if that was the most economical way  
12 to do it. Again, in those cases, those are not ways of  
13 deriving loops from the system. I want to be very  
14 clear about that. Those are alternative means of  
15 providing unbundled loops. So that -- because of the  
16 fact that you can't provision and utilize the  
17 integrated digital loop carrier system.

18                   So we establish copper pairs or utilize  
19 next generation if that's available. And if we don't  
20 have either one of those available, which is a  
21 situation we haven't encountered yet, what we would do  
22 then is we would go to what is the most economical way  
23 we could in fact construct equipment to provision an  
24 unbundled loop and, in that case, special construction  
25 charges would apply depending on what the forecast  
0277  
1 requirements were for that particular area.



## **CERTIFICATE OF SERVICE**

I, Arethea P. Johnson, hereby certify that I have served a copy of the "Initial Comments Of Intermedia Communications Inc." this 25th day of September, 1998, upon the following parties via hand delivery:

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